**Summary of Public Comment and Agency Response**

**Title of Rulemaking: Oregon Clean Fuels Program**

**Prepared by:** **Cory-Ann Wind**

**Date: November 2, 2012**

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| Comment period | The public comment period opened on July 20, 2012 and closed at 5:00 pm on August 31, 2012. DEQ held a public hearing hosted by the Environmental Quality Commission at their meeting on August 24, 2012 at 9:00 am at the DEQ Headquarters Office, 811 SW 6th Avenue, Portland, OR. DEQ regional offices in Eugene, Medford, Bend and Pendleton were also open to citizens to participate in the hearing via conference phone. 15 individuals in Portland and 1 in Medford testified. 102 persons submitted comments, 16 oral and 87 written.  |
| Organization of comments and responses***RecycleDEQ_DC1*** | Summaries of individual comments and the Department’s responses are provided below. Comments are summarized in categories. The persons who provided each comment are referenced by number. A list of commenters and their reference numbers follows the summary of comments and responses.  |

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| ***Summary of Comments and Agency Responses*** |
| **Cmt #** | **Comment** | **Response** | **Ref #** |
| 1 | Adopt standard and move forward with the Clean Fuels Program. Support removing sunset. | Thank you for your comment. | 5, 6, 7, 12, 14, 17, 18, 19, 21, 22, 26, 27, 32, 35, 40, 42, 48, 49, 50, 51, 52, 54, 55, 56, 61, 63, 64, 66, 72, 79, 80, 84, 87, 89, 92, 94, 97, 102 |
| 2 | Support Clean Fuels Program as a key element to achieving a clean, low-carbon energy future. Improve environmental performance of the transportation system. Program to provide strong incentive for sustainable fuel companies to set up operations in Oregon. | Thank you for your comment. | 1, 20, 23, 28, 31, 58, 62, 67 |
| 3 | Adopt Clean Fuels Program. Concerned about the air pollution and greenhouse gas emissions associated with burning fossil fuels. | Thank you for your comment. | 2, 8, 10, 47, 53, 60, 77, 86, 98 |
| 4 | Opposes Clean Fuels Program. Suspend further action. Do not adopt the Program.  | Thank you for your comment. DEQ has decided to amend the proposed rules to remove the deferred Phase 2 requirements from this rulemaking. As originally intended, DEQ will use the information collected in this administrative phase of program to inform our recommendations for what the next phase of the program should be, along with continued discussions with stakeholders and legislators. | 3, 11, 13, 15, 25, 43, 65, 69, 71, 95, 96, 99, 100 |
| 5 | The program will put Oregon at a competitive disadvantage to other states. | DEQ disagrees. HB 2186 directed the EQC to provide safeguards in the form of exemptions and deferrals to mitigate the unintended consequence of noncompetitive fuel costs of implementing the program. Based on public comment, DEQ is proposing to adopt only the Phase-1 reporting requirements at this time, which will not put Oregon at a competitive disadvantage to other states. DEQ will discuss this concern with the legislature as they review the design of the complete Clean Fuels program. DEQ’s 2011 economic impact assessment of an Oregon Clean Feels program suggests that such a program would provide an economic benefit to Oregon.  | 4, 69, 71 |
| 6 | The Oregon program is modeled after an unconstitutional California program. | California’s low carbon fuel program has not been found to be unconstitutional. Several stakeholder groups are challenging California’s program in court and Oregon is following those proceedings. When a final ruling is made on the California lawsuit, we will analyze the outcome to see what, if any, changes are needed to the Oregon program. DEQ can not speculate on when the California law suits will be settled. . | 3, 4, 11, 25, 69, 71, 88, 95, 99, 100 |
| 7 | The new CAFÉ standards negate the need for this program. | DEQ disagrees. Cleaner car technology is only part of the solution to reducing greenhouse gas emissions from transportation sources. Providing cleaner fuels and driving less must also be part of the solution. | 4 |
| 8 | This program is effectively a cap and trade program. | DEQ disagrees. A Clean Fuels Orogram does not set a cap on emissions. The is a performance standard that establishes standards for a average amount of carbon in fuel per unit of energy. There is no limit on the amount of clean fuel that can be used in Oregon, and therefore there is no cap on emissions The goal of the program simply to produce cleaner fuel. Regulated parties must meet an annual standard, and can choose how to comply with that standard based on what is available in the market (either fuels or credits).  | 4 |
| 9 | There is concern about the effects of higher blends of biofuels. | During this first phase of the program, there is no requirement to change from the current supply of fuels. | 3, 71, 100 |
| 10 | The lower carbon fuels needed for this program do not exist in commercial quantities; will lead to higher fuel costs. | DEQ disagrees. The Oregon Clean Fuels statute (HB2186) and DEQ’s conceptual program design specifically includes safeguards to protect against increased fuels costs due to the program. DEQ’s proposed rule will not require any new lower carbon fuels at this time. DEQ will discuss this concern and other stakeholder feedback received with the 2013 legislature as they review the full design of the Oregon Clean Fuels program. DEQ notes that many lower carbon fuels do exist today at commercial quantities and at lower costs than petroleum fuel. Natural gas; propane; electricity; biodiesel made from soy beans, canola and recycled cooking oil; and ethanol made from corn and sugar cane are all current options.  | 3, 4, 25, 69, 71, 95, 96, 100 |
| 11 | The program almost immediately relies on the availability of cellulosic ethanol. | DEQ disagrees. During this first reporting phase of the program, there is no requirement to change from the current supply of fuels.  | 4, 11 |
| 12 | The economic analysis incorrectly assumes the presence of any Oregon cellulosic ethanol facilities to offset the negative economic impacts of the program. | DEQ’s 2011 economic impact assessment of an Oregon Clean Fuels program evaluated a variety of different plausible compliance scenarios. The program, if ever adopted in its entirety, would not mandate a specific means of compliance such as cellulosic ethanol, but instead would allow each regulated party to select the most cost-effective compliance path. The future presence of Oregon cellulosic ethanol facilities is just one of many possible future compliance scenarios. Cellulosic feedstock’s can be agricultural wastes, forest residue, recovered construction materials and dedicated energy crops; all of which can be grown or gathered in Oregon. Currently, there is a cellulosic ethanol facility being constructed in Boardman that will produce ethanol from farmed hybrid poplar trees and wheat straw. | 4 |
| 13 | Special blending formulations, requiring special equipment, logistics and compliance costs, will be necessary and passed on to the consumer. Fuel distributors that provide fuel to exempt parties may need additional capacity in order to provide different blends to multiple customers. | During this first reporting phase of the program, there is no requirement to change from the current supply of fuels. DEQ will discuss this concern and other stakeholder feedback received with the 2013 legislature as they review the full design of the Oregon Clean Fuels program. | 4, 15, 25, 65, 71, 100 |
| 14 | The release mechanisms for suspending the program due to price increase or supply shortage is inadequate. | This comment is not applicable to the Phase-1 reporting requirements proposed in this rulemaking. However, DEQ will discuss this concern and other stakeholder feedback received with the 2013 legislature as they review the full design of the Oregon Clean Fuels program. HB 2186 directed the EQC to provide safeguards in the form of exemptions and deferrals to mitigate the unintended consequence of noncompetitive fuel costs of implementing the program  | 4, 11, 25, 65, 69, 71, 99, 100 |
| 15 | Include propane, liquefied petroleum gas, as an opt-in fuel in the program. | DEQ agrees to add propane into the program as an opt-in fuel and has made the appropriate changes throughout the rules. | 9, 74 |
| 16 | The federal Renewable Fuel Standard negates the need for this program. | DEQ disagrees. A renewable fuel standard does not necessarily guarantee low carbon fuels. A low carbon fuels program is a more comprehensive and sure approach to reducing the carbon content of fuels over time and obtaining carbon reductions from the transportation sector. In addition, the RFS does not give credit for several lower carbon fuels including electricity, propane, or natural gas. The RFS is also a national production mandate, but it does not require any of its mandated fuels to be consumed in Oregon. Since Oregon is committed to reaching its greenhouse gas reduction goals, an Oregon Clean Fuels program is needed to ensure that greenhouse gas reduction from transportation sector fuels occurs in Oregon.  | 11, 71 |
| 17 | We support the market-based, technology-neutral policy to cut petroleum dependence, reduce carbon emissions and create a market for new clean fuels. | Thank you for your comment. | 16, 24, 29, 30, 39, 59, 93, 97 |
| 18 | Deferring the actual reductions of lifecycle carbon emissions delays the economic and health benefits of the program and extends the volatility of the petroleum market. | DEQ is committed to working with the elected officials,, stakeholders, and the EQC to develop and implement the next phase of the program as directed by the legislature. Delayed benefits will be considered alongside costs and other implementation issues.  | 18, 38 |
| 19 | Amend language for the party generating credits with liquefied natural gas. | OAR 340-253-0320(3) and (6) have been changed to “the owner of the liquefied natural gas when it is transferred to the facility at which the liquefied natural gas is dispensed to motor vehicles.” | 19 |
| 20 | Incorporate indirect land use change into program. Defer inclusions of indirect land use change into program. | Acting on the recommendation of its Clean Fuels advisory committee, DEQ chose not to include factors for indirect effects at this time. While acknowledging its existence, DEQ is choosing to wait until the scientific in this area becomes more clear.  | 33, 71, 88, 100 |
| 21 | Expand the credit market beyond the regulated and opt-in parties. | This was discussed during the advisory committee and can be found on page 89 of the final report. Since this is a Phase 2 issue, refinement of this provision can discussed as part of DEQ’s further exploration of the feasibility of Phase-2.  | 33 |
| 22 | Develop an electronic trading platform to facilitate a real-time market for clean fuels credits. | Since this is a Phase 2 issue, refinement of this provision can be discussed as part of DEQ’s further exploration of the feasibility of Phase-2.  | 33 |
| 23 | Incorporate a flexible compliance mechanism to provide certainty to a regulated party if they are unable to meet the standard. | Since this is a Phase 2 issue, refinement of this provision can be discussed as part of DEQ’s further exploration of the feasibility of Phase-2.  | 33 |
| 24 | Support this bipartisan initiative. As people involved in the low carbon fuel industry, we depend on the market certainty that the program can provide. Adopt program and support removal of the sunset. | Thank you for your comment. | 34, 36, 37, 44, 45, 46, 68, 73, 83, 90, 91, 103 |
| 25  | Supporting “good” not just punishing “bad”. Not overly prescriptive, leaves freedom to innovate. Catalyst to other Oregon industries. Reporting costs are not a major concern. | Thank you for your comment. | 38 |
| 26 | Decisions about low carbon fuels should be made at the federal level. | Thank you for your comment. DEQ supports the concept of a federal low carbon fuels standard. However, until such a program is developing, Oregon and other states can provide leadership in this area and provide the momentum for a national program. .  | 41 |
| 27 | Include all applicable tax credits and incentives as well as federal RIN values when establishing the average price of fuels. | Since this is a Phase 2 issue, refinement of these provisions can continue to be developed pending a future rulemaking. | 57 |
| 28 | A description of credit transactions is not included.  | Since this is a Phase 2 issue, refinement of these provisions can continue to be developed pending a future rulemaking. | 71 |
| 29 | The fiscal analysis should include fee on regulated parties.  | A fee on regulated parties is only a proposal at this time. If fee authority is approved by the Legislature, DEQ will conduct a rulemaking that will work with stakeholders to identify the amount and structure of any fee and its fiscal impact. | 71, 100 |
| 30 | The fiscal and economic impact statement should include implementation of the full (both Phase 1 and 2) program. | The fiscal and economic impact analysis includes both parts of the program; because the requirements of Phase 2 are deferred, the cost to comply with Phase 2 is zero. If DEQ initiates rulemaking to remove the deferral and implement Phase 2, the fiscal and economic impact will be analyzed to incorporate the cost of complying with the Phase 2 requirements. | 71, 100 |
| 31 | The program should recognize that different fuels have different sources and different impacts and should consider a multimedia evaluation. | With regards to greenhouse gas emissions, the lifecycle analysis used in this program accounts for these differences. However, the non-GHG impacts are not currently addressed in the program would be considered during any future work on the design of Phase-2. . | 72, 100 |
| 32 | Recommend energy density and carbon intensity for propane. | DEQ has updated OAR 340-253-3010, -3020 and -3030 (the tables for carbon intensity and energy density) for propane. | 75 |
| 33 | Registration requirements in multiple locations are confusing. | OAR 340-253-0100(2), (4) and OAR 340-253-0500 have all been modified to be consistent. | 76 |
| 34 | The amount of information required for registration is unwarranted. | The language in OAR 340-253-0500(1) has been modified to be more focused on essential information. | 76, 100 |
| 35 | Include process to update fuel registration. | OAR 340-253-0500(5) includes a process to modify a registration within 30 days of changing any information contained in the original registration. | 76 |
| 36 | Quarterly reporting in Phase 1 is unnecessary. | During the initial phase of the program, one of the objectives of the quarterly report is to gain experience with calculating surpluses and shortfalls relative to the baseline carbon intensity values. This exercise is identical to that of calculating credits and deficits if the next phase of the program is implemented; and will allow both regulated parties and DEQ time to refine recordkeeping and reporting tools and minimize the cost of complying with the next phase of the program. | 76, 100 |
| 37 | Change definition of importer to “the person who owns the fuel when it enters into Oregon.” | If the definition of importer were changed to the suggested language, there is the potential that truckers, railroads, barges and other transporters could become regulated parties under the program. To minimize the number of small businesses being regulated (in response to comments received during the fiscal advisory committee process), the clarification language of “in the stationary storage tank into which the product was first transferred after it was imported” was inserted. DEQ acknowledges that some small businesses will still be impacted, but believes that it will be less so than with the commenter’s suggested language. | 76 |
| 38 | There should be separate treatment of rack sales and bulk sales. | One of the objectives of the initial phase of this program is to collect enough information to inform the development of the next phase. For this fist reporting phase, DEQ feels that inclusion of all sales, both rack and bulk, is necessary in order to get a complete understanding of fuel sales and distribution. DEQ would use this data to evaluate whether or not to continue to include both rack and bulk sales in the Phase-2 requirements. . | 76 |
| 39 | Records for export volumes should be required only for volumes for which the party is the exporter of record. | OAR 340-253-0600(1)(J) has been amended to add the phrase “where the party is the exporter of record.” | 76, 100 |
| 40 | The product transfer documents should identify the fuel and CI value and who the fuel was received from. | OAR 340-253-0600(1)(b) has been modified to include this information. | 76 |
| 41 | Request 60 days to respond to a records request instead of 15. | OAR 340-253-0600(2) has been changed from 15 to 60 days. | 76 |
| 42 | Numbering in OAR 340-253-0310(5) is incorrect. | OAR 340-253-0310 has been renumbered. | 76 |
| 43 | Provide an opportunity for out-of-state producers and marketers to voluntarily opt-in to the program. | DEQ is very interested in incorporating this provision into the Oregon program. We will explore this option with CARB and stakeholders as we continue design work on Phase-2 of the program.  | 78, 88 |
| 44 | Agree with definition and requirements of “small importer”. | Thank you for your comment. | 78 |
| 45 | Develop web-based registration form. | DEQ intends to modify California’s electronic registration form for use in Oregon. | 78 |
| 46 | Please clarify what needs to be included in quarterly versus annual reports. | OAR 340-253-0650 outlines the annual reporting requirements while OAR 340-253-0630 outlines the quarterly reporting requirements. For 2013, DEQ expects the annual report to cover the July 1 – December 31 period. For 2014 and beyond, DEQ expects the regulated party to submit information for each quarter including the calculation of surpluses and shortfalls and the net balance calculation as compared to the baseline carbon intensity values for that quarter and year-to-date. | 78 |
| 47 | Request on-line listing of registered buyers and sellers. | DEQ intends to provide an on-line list of all parties registered with the program, for both regulated and opt-in parties. | 78 |
| 48 | Please clarify the timing of the product transfer document transfer. | DEQ understands that the bill of lading for a specific volume of fuel transfers from the seller to the buyer upon transfer of the fuel and that the seller no longer has possession of that document. DEQ expects that there be another legal document that can serve the same purpose for the seller since it is our intent to be able to pair up a seller’s and a buyer’s document for the same volume of fuel in order to verify the transfer. | 78 |
| 49 | Additional information is needed to identify individual volumes of fuels transferred. | OAR 340-253-0600 has been amended to include additional requirements. | 78 |
| 50 | Amend requirements for rounding. | OAR 340-253-1000 has been amended to remove specific rounding requirements. | 78 |
| 51 | Credits should not have an expiration date. | Thank you for your comment. | 78 |
| 52 | Baseline year should be 2010. | DEQ will explore options for an appropriate program baseline and compliance curve as we continue design work on Phase-2 of the program. .  | 80 |
| 53 | Include expertise in fuel pricing and/or supply to implement deferrals. | DEQ intends to work very closely with the Oregon Dept of Energy to conduct the necessary analysis that may trigger deferrals due to price and/or fuels supply isues. While the ODOE has experts in fuel pricing and supply issues, however, DEQ can also solicit outside assistance as needed.  | 80 |
| 54 | Do not include all the states in the PADD 5 to compare fuel costs. | For gasoline, the states used for comparison are defined in HB 2186 (referred to as the Statutory PADD 5) and includes Oregon, Washington, Arizona and Nevada. California, Alaska and Hawaii are not included in this. For diesel, since information is not available for the statutory PADD 5, the default is to the Actual PADD 5 and includes all of the states mentioned above, including California, Alaska and Hawaii. However, it is DEQ’s intent to work with fuel providers to gather information specific to the Statutory PADD 5 where possible. | 80 |
| 55 | We support the use of exemptions to consider safety, performance and supply issues. | Thank you for your comment. | 80 |
| 56 | We support provision to include new fuels in the future. | Thank you for your comment. | 80 |
| 57 | Extend out-of-state clean fuel supply penalty to the entire northwest. | The program does not have a clean fuel source no-penalty zone or any other similar concept. | 80 |
| 58 | Extend exempt status of short-line railroads to be a permanent exemption. | DEQ agrees that the short-line railroads face the same fuel supply and distribution issues that justify the exemption for Class 1 railroads. Therefore, DEQ’s proposed rule proposes to permanently exempt fuel used in short-line railroads from the Clean Fuels program.  | 81 |
| 59 | Opt-in parties should not have the compliance obligation. | DEQ disagrees. Opting in to the program is entirely voluntary. The assumption made by DEQ is that an opt-in party is in a position to generate carbon surpluses (credits). The only compliance obligation for an opt-in party is to keep records to document the generation of surpluses (credits) and submit reports. These minimal requirements are an integral part of the credit market to ensure the validity of credits being transferred. | 82 |
| 60 | Credits should flow to those making the investment. | The comment related to those involved in providing electricity for a transportation use. OAR 340-253-0330 is intended to provide certainty to those involved in providing electricity for a transportation use. The proposed hierarchy was a way to offer the value of the credits to those most likely to invest, and not preclude any individuals’ participation. DEQ recognizes that there may be overlapping rules with Oregon Public Utility Commission and we welcome any future discussion to clarify any barriers to participation in the program. | 82 |
| 61 | Rules lack specificity regarding enforcement. | DEQ did not propose any enforcement rules specific to the Clean Fuels Program at this time. Default criteria located in OAR 340 Division 12 apply in a generic manner to cover failure to keep records and report; however it is DEQ’s intent to rely primarily on technical assistance during the initial phase of the program unless violations are egregious. Should DEQ proceed with phase-2 of the program, enforcement rules and guidance would be done in a future rulemaking. | 82 |
| 62 | Fundamental weaknesses of the low carbon standard: quantitative regulations are inherently inefficient and ineffective; the off-ramps offer uncertainty and are too complex; no realistic prospect of influencing technological developments, production or pricing of fuels in Oregon; the economic analysis conducted is too simplistic. | DEQ disagrees and believes, based on its work with its Clean Fuels advisory committee, that an Oregon low carbon fuels standard would be achievable and cost-effective. The commenter’s’ concerns will be discussed as part of DEQ’s further exploration of the feasibility of Phase-2.  | 85, 100 |
| 63 | Support two-phased approach. | Thank you for your comment. | 88 |
| 64 | Use most recent version of GREET available or CA-GREET. | DEQ intends to upgrade OR-GREET in the future, but in the meantime, only the version that is currently approved by DEQ must be used. If a regulated party wishes to propose a carbon intensity based on a more current version, the party must document the differences between the two versions of GREET so DEQ can assess the accuracy and reliability of the calculations. | 88, 100 |
| 65 | Amend the energy density value for ethanol to represent denatured ethanol. | Table 3 under OAR 340-253-3030 has been changed. | 88 |
| 66 | Improper to focus on small businesses based on number of employees. | ORS183.310(10) defines small business for the purposes of conducting its Statement of Need and Fiscal and Economic Impact. Broader discussions about how the proposed regulations could impact businesses outside this definition can be found in other parts of the document; including how volume or the number of fuel types and not the number of employees have a greater impact on the amount of resources are needed to comply. | 100 |
| 67 | In investigating an emergency supply shortage, the previous year’s credit generation should not be relevant. | Since this is a Phase 2 issue, refinement of these provisions will be discussed as part of DEQ’s further exploration of the feasibility of Phase-2. DEQ’s intent would be to work with the parties involved in the supply shortage to estimate the volume, carbon intensity and thus the potential impact of the shortage. This potential impact, alongside consideration of the existing credit bank would inform whether it is appropriate for a deferral to be issued and the nature and extent of the deferal. | 100 |
| 68 | Oregon shouldn’t be included in the statutory PADD 5 average. If information is unavailable, the actual PADD 5 should not be the default.  | This was discussed extensively during the advisory committee and can be found on pages 101 -108 of the final report.  | 100 |
| 69 | There should be a single standard, not separate standards for gasoline and diesel. | DEQ disagrees. Separate low carbon standards are needed for both conventional gasoline and diesel fuel to promote carbon reduction in each category. This was discussed extensively during the advisory committee and can be found on page 72 of the final report. To increase flexibility in the program, credits generated can be used to comply with either the diesel or gasoline standard. | 100 |
| 70 | Should not have to demonstrate that the program is causing the price increase to trigger the deferral process. | Since this is a Phase 2 issue, refinement of these provisions will be discussed as part of DEQ’s further exploration of the feasibility of Phase-2. HB 2186 directs the EQC to provide for exemptions and deferrals as necessary to mitigate the costs of complying with the standard upon a finding by the EQC. The EQC will consider the extent to which the standard caused the non-competitive cost, whether there were other causal factors, and whether there is a practicable strategy that could mitigate its impact. In fairness to the greenhouse gas reductions and market certainty provided by this program, deferrals should only be granted if these criteria are met. |  |
| 71 | The rules about the designation of regulated parties are too convoluted. | The transfer of compliance obligation along with the transfer of fuel is a critical element of the program; not only for recordkeeping, but for who has the responsibility to calculate deficits and credits towards meeting the annual standard. Even though some of the scenarios described will not occur often, DEQ needs to draft rules for all possible scenarios to provide clarity to both the transferor and recipient of fuels. DEQ will provide technical assistance to help regulated parties understand the applicable rules.  | 100 |
| 72 | Why are the baseline carbon intensities different than California’s? | The baseline carbon intensity estimates for Oregon’s Clean Fuels program are based on Oregon’s unique transportation fuel mix, not California’s This was discussed during the advisory committee and can be found on pages 70-71 in the final report..  | 100 |
| 73 | There are no provisions for individual carbon intensities for conventional fuels as there are for alternative fuels. |  In the proposed rules, all conventional fuels must use default carbon intensities that reflect the statewide average carbon intensity found in Tables 1 and 2, and these values should be updated at least every 3 years. Several options for treating the carbon intensities of conventional fuels were DEQ’s the issues and discussion committee . DEQ’s proposed approach has been informed by the committee deliberationsRefinement of these provisions can be discussed as part of DEQ’s further exploration of the implementation of Phase-2. | 100 |
| 74 | Provide a simple reporting/recordkeeping alternative to the California-like reporting tool. | DEQ’s primary focus is to develop a reporting tool that works for both small and large-sized parties to use. | 100 |
| 75 | Carbon intensity information should only be required to be recorded when the compliance obligation is transferred. | OAR 340-253-0600(1)(b) has been modified to reflect this change. | 100 |
| 76 | DEQ should not be able to determine a specific pathway for a fuel. | OAR 340-253-0400 and -0450 outlines a process whereby a registrant proposes a carbon intensity value that must then be approved by DEQ. Only if DEQ disagrees with the initial proposal does the agency suggest what they believe to be a more appropriate value; and the registrant has the ability to work with DEQ to reach an agreed upon number.  | 100 |
| 77 | The treatment of crude oil is unclear. | During the initial reporting phase, all petroleum fuels receive the same carbon intensity based on a statewide average of fuels entering the state. This average will be updated periodically. Refinement of the provisions for treating changes in crude oil carbon intensity can be discussed as part of DEQ’s further exploration of the feasibility of Phase-2. issue Clean Fuels DEQ  | 100 |
| 78 | The processes to update carbon intensities are without basis or unjustified. | DEQ disagrees. This question was discussed extensively during DEQ’s advisory committee and can be found throughout the final report. The report also includes the alternatives considered and the rationale behind DEQ’s recommendation. | 100 |
| 79 | The difference in energy densities and energy efficiency ratios in Oregon and California need to be clarified. | The difference is primarily due to a declining ratio to account for a change in fuel economy from now until the end of the program as opposed to a set value. The differences in the energy densities of various fuels are due to differences in the formulations required in Oregon versus California.  | 100 |
| 80 | Include additional pathways for renewable natural gas into the pipeline, renewable electricity into the grid, and renewable LPG-substitute such as di-methyl ether. | DEQ asked for additional information to justify the addition of these fuel pathways and supporting documentation as to what the carbon intensities should be. The commenter did not respond so they were not included in this rulemaking. Requests to include new pathways for these or any other new fuels available in Oregon can be made at any time using the new fuels pathway process in the proposed rules.  | 101 |
| 81 | Support exemption for research, development and demonstration facilities. | Thank you for your comment. It is important for DEQ to minimize any regulatory barriers to innovation that may lead to cleaner fuels for Oregon. | 102 |
| 82 | Modify definition of “Oregon production facility” to refer to finished fuel rather than blendstock. | DEQ has modified the definition of "Oregon production facility" to refer to blendstocks and finished fuel. For example, the company ZeaChem is an Oregon producer of a blendstock, and is only required under the rule to provide documentation of the carbon intensity of the blendstock they produce, not that of the finished fuel. As the commenter correctly point out, the supplier of the finished fuel is then obligated to document the multiple blendstocks and associated carbon intensities used in their finished fuel to be able to calculate the credits and deficits counted towards compliance with the annual standard.  | 102 |

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| **Ref #** | **Date Submitted** | **Organization** | **Contact Person** | **Mailing Address** | **City** | **State** | **Zip Code** |
| 1 | 8/30/2012 | 1000 Friends of Oregon | Jason Miner |  |  |  |  |
| 2 | 8/30/2012 | Andy Harris, MD |  |  | Portland | OR |  |
| 3 | 8/29/2012 | Associated General Contractors | Mike Salsgiver |  |  |  |  |
| 4 | 8/30/2012 | Associated Oregon Industries | John Ledger | 1140 Court Street NE | Salem | OR | 97301 |
| 5 | 8/22/2012 | Basey Klopp |  |  |  |  |  |
| 6 | 8/24/2012 | Beaver Biodiesel, LLC | Daniel Shafer | 2501 NW 28th Avenue | Portland | OR | 97210 |
| 7 | 8/24/2012 | Beaver Biodiesel, LLC | Daniel Shafer | 2501 NW 28th Avenue | Portland | OR | 97210 |
| 8 | 8/30/2012 | Beyond Toxics | Lisa Arkin |  | Eugene | OR |  |
| 9 | 8/24/2012 | Blue Star Gas | Jeff Stewart |  |  |  |  |
| 10 | 8/30/2012 | Bonnie Nedrow, ND |  |  | Ashland | OR |  |
| 11 | 8/30/2012 | BP America Inc. | Michael Abendhoff | 4519 Grandview Road Building #1 | Blaine | WA | 98231 |
| 12 | 8/23/2012 | Brian Brandt |  |  | Portland | OR |  |
| 13 | 8/24/2012 | Campbell & Poole Distributing | Ken Poole |  | Ontario | OR |  |
| 14 | 8/22/2012 | Caroline Zaworski |  |  |  |  |  |
| 15 | 8/24/2012 | Carson Oil Company | Lance Woodbury |  |  |  |  |
| 16 | 8/31/2012 | Ceres | Carol Lee Rawn |  |  |  |  |
| 17 | 8/29/2012 | Christopher Pond |  |  | Glide | OR | 97443 |
| 18 | 8/31/2012 | City of Portland | Susan Anderson | 1900 SW 4th Avenue Suite 7100 | Portland | OR | 97201 |
| 19 | 8/27/2012 | Clean Energy | Todd Campbell | 3020 Old Ranch Parkway, Suite 400 | Seal Beach | CA | 90740 |
| 20 | 8/30/2012 | Climate Solutions | Ann Gravatt |  |  |  |  |
| 21 | 8/24/2012 | Climate Solutions | Ann Gravatt |  |  |  |  |
| 22 | 8/30/2012 | Clipper Creek Inc. | Barry Woods | 11850 Kemper Road Suite #E | Auburn | CA | 95603 |
| 23 | 8/30/2012 | Coalition for a Livable Future | Ron Carley |  |  |  |  |
| 24 | 8/31/2012 | Conservation Law Foundation | N. Jonathan Peress |  |  |  |  |
| 25 | 8/31/2012 | Consumer Energy Alliance | Michael Whatley | 2211 Norfolk Street, Suite 614 | Houston | TX | 77098 |
| 26 | 8/27/2012 | Craig Markham |  |  | Dundee | OR |  |
| 27 | 8/23/2012 | Darcy Cronin |  |  | Portland | OR |  |
| 28 | 8/30/2012 | Douglas County Global Warming Coalition | Stuart Liebowitz |  |  |  |  |
| 29 | 8/31/2012 | Energy Independence Now | Remy Garderet |  |  |  |  |
| 30 | 8/31/2012 | Environment Northeast | Jeremy McDiarmid |  |  |  |  |
| 31 | 8/30/2012 | Environment Oregon | Sarah Higginbotham |  |  |  |  |
| 32 | 8/24/2012 | Environment Oregon | Megan Jones |  |  |  |  |
| 33 | 8/30/2021 | Environmental Entrepreneurs | Mary Solecki | 11 Sutter Street, Fl 20 | San Francisco | CA | 94104 |
| 34 | 8/31/2012 | Environmental Entrepreneurs | Chris Dennett, Alex Wall, Trevor Winnie |  |  |  |  |
| 35 | 8/24/2012 | Environmental Entrepreneurs | Mary Solecki | 11 Sutter Street, Fl 20 | San Francisco | CA | 94104 |
| 36 | 8/31/2012 | General Biodiesel Seattle, LLC | Jeff Haas |  |  |  |  |
| 37 | 8/28/2012 | General Biodiesel Seattle, LLC | Jeff Haas | 6333 1st Ave S | Seattle | WA | 98108 |
| 38 | 8/31/2012 | Good Company | Joshua Skov | 65 Centennial Loop, Suite B | Eugene | OR |  |
| 39 | 8/31/2012 | Green for All | Kimberly Freeman Brown |  |  |  |  |
| 40 | 8/28/2012 | GreenWood Resources | Don Rice | 121 SW Salmon Street, Suite 1020 | Portland | OR | 97204 |
| 41 | 8/30/2012 | Growth Energy | Tom Buis | 777 North Capitol Street, NE, Suite 805 | Washington | DC | 20002 |
| 42 | 8/24/2012 | Hans Van Der Meer | EV4Oregon |  |  |  |  |
| 43 | 8/24/2012 | IBEW Local 48 | Joseph Esmonde |  |  |  |  |
| 44 | 8/31/2012 | Imperium Renewables, Inc. | John Plaza | 568 First Avenue South, Suite 600 | Seattle | WA | 98104 |
| 45 | 8/30/2012 | Imperium Renewables, Inc. | John Plaza | 568 First Avenue South, Suite 600 | Seattle | WA | 98104 |
| 46 | 8/31/2012 | Inland Empire Oilseeds | Joel Edmonds |  |  |  |  |
| 47 | 8/30/2012 | Jenny Pompilio, MD, MPH |  |  | Portland | OR |  |
| 48 | 8/24/2012 | Jim Edelson |  |  |  |  |  |
| 49 | 8/22/2012 | Jim Hajek |  |  |  |  |  |
| 50 | 8/22/2012 | Krista Reynolds |  |  | Portland | OR |  |
| 51 | 8/22/2012 | Marjorie Kundiger |  |  |  |  |  |
| 52 | 8/22/2012 | Mary Lehman |  |  | Florence | OR |  |
| 53 | 8/30/2012 | Maye Thompson, RN PhD |  |  | Portland | OR |  |
| 54 | 8/17/2012 | Metro | Martha Bennett | 600 NE Grand Avenue | Portland | OR | 97232 |
| 55 | 8/22/2012 | Nancy Merrick |  |  |  |  |  |
| 56 | 8/22/2012 | Nathan Boddie, MD, MS |  |  | Bend | OR | 97701 |
| 57 | 8/24/2012 | National Biodiesel Board | Shelby Neal | P.O. Box 104898 | Jefferson City | MO | 65110 |
| 58 | 8/30/2012 | National Wildlife Federation | Nicholas Callero |  |  |  |  |
| 59 | 8/31/2012 | Natural Resources Defense Council | Simon Mui |  |  |  |  |
| 60 | 8/30/2012 | Northwest District Association Air Quality Committee | Sharon Genasci |  | Portland | OR |  |
| 61 | 8/22/2012 | Oregon Business Association | Ryan Deckert | 6975 SW Sandburg Street, Suite 250 | Tigard | OR | 97223 |
| 62 | 8/30/2012 | Oregon Environmental Council | Andrea Durbin | 222 NW Davis Street Suite 309 | Portland | OR | 97209 |
| 63 | 8/30/2012 | Oregon Environmental Council | Chris Hagerbaumer | 222 NW Davis Street Suite 309 | Portland | OR | 97209 |
| 64 | 8/24/2012 | Oregon Environmental Council | Mark Kendall | 222 NW Davis Street Suite 309 | Portland | OR | 97209 |
| 65 | 8/22/2012 | Oregon Farm Bureau | Katie Fast | 3415 Commercial Street | Salem | OR | 97302 |
| 66 | 8/22/2012 | Oregon Global Warming Commission | Angus Duncan | 625 Marion Street NE | Salem | OR | 97301 |
| 67 | 8/30/2012 | Oregon League of Conservation Voters | Doug Moore |  |  |  |  |
| 68 | 8/31/2012 | Oregon Oils, Inc. | David and Matt Burns |  |  |  |  |
| 69 | 8/24/2012 | Oregon Petroleum Association | Paul Romain |  |  |  |  |
| 70 | 8/30/2012 | Oregon Public Health Association | Josie Henderson |  | Portland | OR |  |
| 71 | 8/30/2012 | Oregon Trucking Associations, Inc. | Debra Dunn | 4005 SE Naef Road | Portland | OR | 97267 |
| 72 | 8/30/2012 | Oregon Wild | Doug Heiken | P.O. Box 11648 | Eugene | OR | 97440 |
| 73 | 8/31/2012 | Pacific Ethanol | Neil Koehler |  |  |  |  |
| 74 | 8/2/2012 | Pacific Propane Gas Association | Lana Butterfield | P.O. Box 1517 | Wilsonville | OR | 97070 |
| 75 | 8/31/2012 | Pacific Propane Gas Association | Lana Butterfield | P.O. Box 1517 | Wilsonville | OR | 97070 |
| 76 | 8/31/2012 | Phillips 66 | H. Daniel Sinks | 3900 Kilroy Airport Way, Suite 210 | Long Beach | CA | 90806 |
| 77 | 8/30/2012 | Physicians for Social Responsibility, Oregon Chapter | Susan Katz |  | Portland | OR |  |
| 78 | 8/28/2012 | POET Ethanol Products, LLC | Heather Gullic | 3939 N Webb Road | Wichita | KS | 67226 |
| 79 | 8/23/2012 | Port of Morrow | Gary Neal | P.O. Box 200 | Boardman | OR | 97818 |
| 80 | 8/31/2012 | Port of Portland | David Breen | 7200 NE Airport Way | Portland | OR | 97218 |
| 81 | 8/31/2012 | Portland & Western Railroad | James Irvin | 200 Hawthorne Ave SE Suite C-230 | Salem | OR | 97301 |
| 82 | 8/31/2012 | Portland General Electric | Brendan McCarthy |  |  |  |  |
| 83 | 8/31/2012 | PowerStock | Bill Levy |  |  |  |  |
| 84 | 8/24/2012 | PowerStock | Harrison Pettit |  |  |  |  |
| 85 | 8/29/2012 | QuantEcon, Inc. | Randall Pozdena | P.O. Box 280 | Manzanita | OR | 97229 |
| 86 | 8/30/2012 | Rachel's Friends Breast Cancer Coalition | Alice Shapiro |  | Florence | OR |  |
| 87 | 8/22/2012 | Raymond Dukes |  |  |  |  |  |
| 88 | 8/31/2012 | Renewable Fuels Association | Bob Dinneen |  |  |  |  |
| 89 | 8/22/2012 | Roni Jensen |  |  |  |  |  |
| 90 | 8/31/2012 | SeQuential Biofuels | Ian Hill |  |  |  |  |
| 91 | 8/31/2012 | SeQuential-Pacific Biodiesel | Tyson Keever, Kevin Kuper, Gavin Carpeter |  |  |  |  |
| 92 | 8/24/2012 | SeQuential-Pacific Biodiesel | Gavin Carpenter |  |  |  |  |
| 93 | 8/31/2012 | Sierra Club  | Kathryn Phillips |  |  |  |  |
| 94 | 8/31/2012 | Sierra Club Oregon Chapter | Ivan Maluski | 1821 SE Ankeny St | Portland | OR | 97214 |
| 95 | 8/30/2012 | Smooth Water Construction Company | Lenn and Denise Ball | P.O. Box 578 | Arlington | OR | 97812 |
| 96 | 8/24/2012 | Tyree Oil | Ron Tyree |  |  |  |  |
| 97 | 8/30/2012 | Union of Concerned Scientists | Jeremy Martin | 2 Brattle Square | Cambridge | MA | 2138 |
| 98 | 8/30/2012 | Upstream Public Health | Mel Rader |  | Portland | OR |  |
| 99 | 8/24/2012 | Western States Petroleum Association | Frank Holmes | 1415 L Street, Suite 600 | Sacramento | CA | 95814 |
| 100 | 8/30/2012 | Western States Petroleum Association | Catherine H. Reheis-Boyd | 1415 L Street, Suite 600 | Sacramento | CA | 95814 |
| 101 | 8/7/2012 | Whole Energy | Atul Deshmane |  |  | WA |  |
| 102 | 8/27/2012 | ZeaChem Inc. | Jim Imbler | 215 Union Blvd, Suite 500 | Lakewood | CO | 80228 |
| 103 | 8/31/2012 | ZeaChem, Inc. | Jim Imbler | 215 Union Blvd, Suite 500 | Lakewood | CO | 80228 |